



“NATIONALLY ACCREDITED”

LAFOURCHE PARISH SHERIFF

THIBODAUX, LOUISIANA

**General Purpose Financial Statements
With Supplemental Information Schedules
And Independent Auditor's Reports**

As of and for the Year Ended June 30, 2002



(A Professional Corporation)
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LAFOURCHE PARISH SHERIFF

Thibodaux, Louisiana

General Purpose Financial Statements With Supplemental Information Schedules And Independent Auditor's Reports

As of and for the Year Ended June 30, 2002

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Independent Auditor's Report

Honorable Craig Webre
Lafourche Parish Sheriff
Thibodaux, Louisiana

We have audited the accompanying general purpose financial statements of the Lafourche Parish Sheriff, State of Louisiana, as of and for the year ended June 30, 2002, as listed in the table of contents. These general purpose financial statements are the responsibility of the Lafourche Parish Sheriff's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Lafourche Parish Sheriff as of June 30, 2002, and the results of its operations for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2002 on our consideration of the Lafourche Parish Sheriff's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Our audit was performed for the purpose of forming an opinion on the general purpose financial statements of the Lafourche Parish Sheriff, taken as a whole. The accompanying supplemental information as listed in the table of contents and is presented for purposes of additional analysis and is not a required part of the general purpose financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

A handwritten signature in blue ink, appearing to read "T.S. Kearns & Co.", written over a horizontal line.

December 11, 2002

TIMOTHY S. KEARNS
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LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
ALL FUND TYPES AND ACCOUNT GROUPS

Combined Balance Sheet, June 30, 2002

	GOVERNMENTAL FUND -		FIDUCIARY FUNDS -	ACCOUNT GROUPS		TOTAL
	GENERAL FUND	SPECIAL REVENUE FUND	AGENCY FUNDS	GENERAL FIXED ASSETS	GENERAL LONG-TERM OBLIGATIONS	(MEMORANDUM ONLY)
ASSETS AND OTHER DEBITS						
Assets:						
Cash and cash equivalents	\$ 46,919	\$ 507,025	\$ 1,741,591			\$ 2,295,535
Investments, at cost	3,185,211					3,185,211
Receivables	201,163					201,163
Inventory		6,221				6,221
Due from other governments	1,335,961	12,709				1,348,670
Land, buildings, and equipment				\$ 8,444,362		8,444,362
Other Debits: amount to be provided for retirement of general long-term obligations					\$ 804,472	804,472
TOTAL ASSETS AND OTHER DEBITS	\$ 4,769,254	\$ 525,955	\$ 1,741,591	\$ 8,444,362	\$ 804,472	\$ 16,285,635
LIABILITIES, EQUITY, AND OTHER CREDITS						
Liabilities:						
Accounts payable and accrued expenses	\$ 110,787	\$ 20,922				\$ 131,709
Salaries and related expenses payable	552,787					552,787
Due to taxing bodies and others		38,932	\$ 1,741,591			1,780,524
Due to inmates		225,349				225,349
Compensated absences payable					\$ 291,752	291,752
Notes payable					102,720	102,720
Certificate of indebtedness					410,000	410,000
Total Liabilities	663,574	285,203	1,741,591		804,472	3,494,840
Equity and Other Credits:						
Investment in general fixed assets				\$ 8,444,362		8,444,362
Fund balances:						
Reserved for drug interdiction		120,266				120,266
Reserved for debt service	137,690					137,690
Unreserved - undesignated	3,967,990	120,486				4,088,476
Total Equity and Other Credits	4,105,680	240,752		8,444,362		12,790,794
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	\$ 4,769,254	\$ 525,955	\$ 1,741,591	\$ 8,444,362	\$ 804,472	\$ 16,285,635

The accompanying notes are an integral part of this statement.

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
GOVERNMENTAL FUNDS

**Combined Statement of Revenues, Expenditures,
and Changes in Fund Balance
For the Year Ended June 30, 2002**

	GENERAL FUND	SPECIAL REVENUE FUNDS	TOTAL (Memorandum Only)
REVENUES			
Ad valorem taxes	\$ 3,365,156		\$ 3,365,156
Sales and use taxes	6,329,758		6,329,758
Intergovernmental	2,584,335	\$ 34,352	2,618,687
Charges for services	2,888,108		2,888,108
Sales of goods		209,668	209,668
Forfeitures and restitution		98,145	98,145
Interest income	89,214		89,214
Other	39,255	10,407	49,662
Total revenues	<u>15,295,826</u>	<u>352,571</u>	<u>15,648,398</u>
EXPENDITURES			
Public safety:			
Salaries and related benefits	10,498,080	12,364	10,510,444
Operating expenses	1,881,497	40,013	1,921,510
Law enforcement expenditures	1,042,183	23,294	1,065,478
Repairs & maintenance	765,621		765,621
Cost of goods		133,076	133,076
Debt service	143,271		143,271
Capital outlay	1,192,847	12,602	1,205,449
Other		5,263	5,263
Total expenditures	<u>15,523,499</u>	<u>226,612</u>	<u>15,750,111</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(227,672)	125,959	(101,713)
OTHER FINANCING SOURCES (Uses)			
Sales of surplus property	25,510	0	25,510
Total other financing sources (uses)	<u>25,510</u>	<u>0</u>	<u>25,510</u>
EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(202,163)	125,959	(76,203)
FUND BALANCE AT BEGINNING OF YEAR	<u>4,307,842</u>	<u>114,793</u>	<u>4,422,635</u>
FUND BALANCE AT END OF YEAR	<u>\$ 4,105,679</u>	<u>\$ 240,752</u>	<u>\$ 4,346,431</u>

The accompanying notes are an integral part of this statement.

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
GOVERNMENTAL FUNDS

Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget
(GAAP) and Actual
For the Year Ended June 30, 2002

REVENUES

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
Ad valorem taxes	\$ 3,370,989	\$ 3,365,156	\$ (5,833)			
Sales and use taxes	6,363,998	6,329,758	(34,240)			
Intergovernmental	2,557,129	2,584,335	27,206	\$ 34,793	\$ 34,352	\$ (441)
Charges for services	2,977,713	2,888,108	(89,605)			-
Sales of goods			-	219,579	209,668	(9,911)
Forfeitures and restitution			-	102,000	98,145	(3,855)
Interest income	92,067	89,214	(2,853)			
Other		39,255	39,255		10,407	10,407
Total revenues	<u>15,361,896</u>	<u>15,295,826</u>	<u>(66,070)</u>	<u>356,372</u>	<u>352,571</u>	<u>(3,801)</u>

EXPENDITURES

Public safety:						
Administration, office supplies & expenditures			-			-
Cost of goods sold			-	139,028	133,076	5,952
Salaries and related benefits	10,381,522	10,498,080	(116,558)	12,770	12,364	406
Operating expenses	1,956,070	1,881,497	74,573	45,097	40,013	5,084
Law enforcement expenditures	1,055,068	1,042,183	12,885	40,020	23,294	16,726
Repairs and maintenance	685,910	765,621	(79,711)			-
Debt service	149,692	143,271	-			-
Capital outlay	1,072,420	1,192,847	(120,427)		12,602	(12,602)
Other			-		5,263	(5,263)
Total expenditures	<u>15,300,682</u>	<u>15,523,499</u>	<u>(222,817)</u>	<u>236,915</u>	<u>226,612</u>	<u>10,303</u>

EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES

61,214	(227,672)	(288,886)	119,457	125,959	6,502
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OTHER FINANCING SOURCES (Uses)

Sales of surplus property	-	25,510	25,510			-
Total other financing sources (uses)	<u>-</u>	<u>25,510</u>	<u>25,510</u>	<u>-</u>	<u>-</u>	<u>-</u>

**EXCESS (Deficiency) OF REVENUES AND OTHER SOURCES
OVER EXPENDITURES AND OTHER USES**

61,214	(202,163)	(263,377)	119,457	125,959	6,502
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FUND BALANCE AT BEGINNING OF YEAR

4,307,842	4,307,842	-	117,241	114,793	(2,448)
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FUND BALANCE AT END OF YEAR

\$ <u>4,369,056</u>	\$ <u>4,105,679</u>	\$ <u>(263,377)</u>	\$ <u>236,698</u>	\$ <u>240,752</u>	\$ <u>4,054</u>
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The accompanying notes are an integral part of this statement.

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2002

INTRODUCTION

As provided by Article V, Section 27, of the Louisiana Constitution of 1974, the Lafourche Parish Sheriff (The Sheriff) serves a four-year term as the Chief Executive Officer of the Law Enforcement District and ex-officio tax collector of the parish. The Sheriff administers the parish jail system and exercises duties required by the parish court system, such as providing bailiffs, executing orders of the court, and serving subpoenas.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying general purpose financial statements of the Sheriff have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units in effect prior to that described in GASB Statement No. 34. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

B. REPORTING ENTITY

Under Governmental Accounting and Financial Standards Section 2100, the financial reporting entity consists of the primary government and its component units. As the governing authority of the parish, the Lafourche Parish Council is considered to be the primary government for financial reporting purposes for the Parish of Lafourche.

Component units are defined as legally separate organizations for which the elected officials of the primary government are financially accountable. The criteria used in determining whether financial accountability exists include:

1. Appointing a voting majority of an organization's governing body.
 - a. The ability of the council to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or imposes specific financial burdens on the council.
2. Organizations for which the council does not appoint a voting majority but are fiscally dependent on the council.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2002

Management has determined that the Lafourche Parish Sheriff is not considered a component unit of the parish if applying the criteria above. Instead the Sheriff is considered to be a "standalone" special purpose government. This decision is based on the following:

- 1) The Sheriff enjoys a separate legal standing from the Parish Council and other governmental entities. The Sheriff has the ability to sue or be sued in its own name.
- 2) The Parish Council does not appoint the Sheriff. The Sheriff's position was created by Article V, Section 27 of the Louisiana Constitution of 1974. The Sheriff is a separately elected official elected by the citizenry in a general, popular election.
- 3) The Parish Council does not have the ability to impose its will on the Sheriff. The Parish Council cannot remove the Sheriff from office. The Sheriff adopts its own budget separate and apart from the Parish Council and other local governmental entities. The day-to-day operations of the Sheriff's office are under the responsibility and control of no one other than the Sheriff.
- 4) The Sheriff does not provide a significant financial benefit or burden to the Parish Council. While the Parish Council does provide the Sheriff with a certain amount of its office space at no cost and pays a certain amount of operating expenses on behalf of the Sheriff, these transactions are not considered significant enough to make the Parish Council financially accountable for the Sheriff's Office.
- 5) The Sheriff is not fiscally dependent on the Parish. The primary sources of funding for the Sheriff include ad valorem taxes, sales tax revenue, and commissions earned from collecting taxes, licenses and fees on behalf of other governmental entities. The Parish Council does not have the authority to approve or modify the Sheriff's budget. The Law Enforcement District, of which the Sheriff serves as Chief Executive Officer, can levy taxes and issue debt without approval of the Parish Council.

Therefore, the accompanying financial statements of the Sheriff are separate and apart from the Parish Council. The financial statements only include all funds and account groups, as well as component units, of the Sheriff. Additionally, the collections and disbursements handled by the Sheriff in his capacity as the Ex-Officio Tax Collector of Lafourche Parish are reported within the Sheriff's financial report as an Agency Fund.

C. FUND ACCOUNTING

The sheriff uses funds and account groups to report on its financial position and the

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2002

results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the sheriff are classified into two categories: governmental and fiduciary. These funds are described as follows:

Governmental Funds:

General Fund

The General Fund, as provided by Louisiana Revised Statute (R.S.) 33:1422, is the principal fund of the sheriff's office and accounts for the operations of the sheriff's office. The sheriff's primary source of revenue is an ad valorem tax levied by the law enforcement district. Other sources of revenue include commissions on state revenue sharing, state supplemental pay for deputies, civil and criminal fees, fees for court attendance and maintenance of prisoners, et cetera. General operating expenditures are paid from this fund.

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Fiduciary Funds:

Agency Funds

The agency funds are used as depositories for civil suits, cash bonds, taxes, fees, et cetera. Disbursements from these funds are made to various parish agencies, litigants in suits, et cetera, in the manner prescribed by law. The agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

D. ACCOUNT GROUPS

The two account groups are not "funds". They are concerned only with the measurement of financial position, not with the measurement of results of operations. The account groups presented in the accompanying financial

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2002

statements are described as follows:

General Fixed Asset Account Group - This group of accounts is established to account for all fixed assets of the Lafourche Parish Sheriff.

General Long Term Debt Account Group - This group of accounts is established to account for all of the general long-term liabilities of the Lafourche Parish Sheriff.

E. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made regardless of the measurement focus applied. The General Fund is accounted for using a flow of current financial resources measurement focus. The accompanying general purpose financial statements have been prepared on the modified accrual basis of accounting, (except for the Tax Collector Agency Fund, which is prepared on the cash basis of accounting, which approximates the modified accrual basis of accounting). The General Fund uses the following practices in recording revenues and expenditures:

Revenues

All Governmental Funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Ad valorem taxes and the related state revenue sharing (Intergovernmental revenue) are considered "measurable" at the time of levy. Sales and use taxes are recorded when they become both measurable and available to finance expenditures of the fiscal period. Intergovernmental revenues (federal and state grants) are recorded as revenue when the Sheriff is entitled to the funds. Fines and forfeitures, and miscellaneous revenues are recorded as revenues when received in cash by the Sheriff or an intermediary-collecting agency because they are generally not measurable until actually received. Charges for services are recorded when earned since they are measurable and available.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Other Financing Sources (Uses)

Proceeds from the sale of fixed assets are accounted for as other financing sources and are recognized when received. Fixed assets acquired through capital leases are recorded as expenditures and other financing sources at the time of acquisition. Transfers between funds that are not expected to be repaid are accounted for as

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2002

other financing sources (uses) when the Sheriff authorizes the transfer.

F. BUDGET PRACTICES

As required by the Louisiana Revised Statutes 39:1304-1314, the Sheriff adopted a budget for the General Fund and Special Revenue Funds for the year ending June 30, 2002. The Sheriff, as required by state law, obtained public participation in the budget process. The budget was amended during the year in accordance with state law. All budgeted amounts that are not expended, or obligated through contracts, lapse at year-end.

The General Fund and Special Revenue Funds budgets are adopted on a basis materially consistent with generally accepted accounting principles.

G. ENCUMBRANCES

The Sheriff does not utilize encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded in the general fund ledgers.

H. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits and interest-bearing demand deposits. Cash equivalents also include amounts in time deposits and those other investments with original maturities of 90 days or less. Under state law, the sheriff may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States. Tax collections must be deposited in a bank domiciled in the parish where the funds are collected.

I. INVESTMENTS

Investments are limited by R.S. 33:2955 and the Sheriff's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are recorded at quoted market prices. The Sheriff also classifies as investment those investments with original maturities of 90 days or less if it is intended that those investments be held for a longer period of time.

J. INVENTORY

Physical inventories, except in the Commissary fund, consist of expendable supplies held for consumption. Because these inventories are expended within one operating cycle they are recorded as expenditures when purchased and are not recorded as an inventory asset. Inventory in the Commissary fund is recorded at

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2002

cost and expended when sold.

K. RESERVES AND DESIGNATIONS OF FUND BALANCE

Reserves on the governmental funds represent portions of fund balances that are not appropriate for expenditures or have been segregated for specific future uses, while designations of fund balances represent tentative plans for financial resource utilization in a future period.

L. GENERAL FIXED ASSETS

Fixed assets are recorded as expenditures at the time purchased, and the related assets are capitalized (reported) in the general fixed assets account group. General fixed assets provided by the Lafourche Parish Council are not recorded within the general fixed assets account group. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost or estimated cost if historical cost is not available.

M. LONG-TERM DEBT

Long-term obligations expected to be financed from the General Fund are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the General Fund when due.

N. COMPENSATED ABSENCES

Accumulated vacation and sick leave are recorded as an expenditure of the period in which paid in all Governmental Funds. Employees of the Sheriff can earn 80 hours per year of sick leave. Sick leave may not be accumulated at year end and is forfeited upon termination. Employees of the Sheriff can earn between 80 or 160 hours per year vacation leave, depending on their length of employment. Current year, unused vacation leave is due to the employee at the time of termination. The vacation policy provides that employees are to take vacation within one year of being earned.

Certain employees classified as non-law enforcement personnel, nonexempt law enforcement personnel, or supervisors who are exempt from the Fair Labor Standards Act may accumulate either compensatory time or overtime pay. Upon termination these employees may be paid for accumulated unused compensatory time at an "hour for hour" rate.

The Sheriff accounts for compensated absences in accordance with GASB No. 16. The current and noncurrent portion can be reasonably estimated; therefore, the short-term portion of the total liability is included in the general fund and the long-

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2002

term portion of the total liability is included in the general long-term account group.

O. TOTAL (MEMORANDUM ONLY) COLUMNS ON COMBINED STATEMENTS

The total columns on the combined statements - overview are captioned memorandum only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations, in conformity with generally accepted accounting principles.

NOTE 2 LEVIED TAXES

Ad valorem taxes are levied on the assessed value listed as of the prior January 1 for all real property, merchandise and moveable property located in the Parish. Assessed values are established by the Lafourche Parish Assessor's Office and the State Tax Commission at percentages of actual value as specified by Louisiana law. A reevaluation of all real property is required to be completed no less than every four years. Taxes are due and payable December 31st with interest being charged on payments after January 1st. Taxes can be paid through the tax sale date, which is the last Wednesday in June. Properties for which the taxes have not been paid are sold for the amount of the taxes. The tax rate for the year ended June 30, 2002 was 10.37 mils per \$1,000 of assessed valuation on property within the Parish for the purpose of maintaining and operating the Sheriff's office.

NOTE 3 CASH AND CASH EQUIVALENTS

At June 30, 2002, the sheriff has cash and cash equivalents (book balances) totaling \$ 2,295,535 as follows:

Interest-bearing demand deposits	<u>\$ 2,295,535</u>
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These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At June 30, 2001, the Sheriff has \$ 2,997,002 in deposits (collected bank balances). These deposits are secured from risk by federal deposit insurance (GASB Category 1) and/ or secured from risk by pledged securities held by the Sheriff's agent in the Sheriff's name (GASB Category 1).

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2002

NOTE 4 INVESTMENTS

Investments are categorized into these three categories of credit risk:

1. Insured or registered, or securities held by the sheriff or its agent in the sheriff's name.
2. Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the sheriff's name.
3. Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the sheriff's name.

At fiscal year-end, the sheriff's investment balances were as follows:

Type of Investment	Category			Carring Amount	Total
	1	2	3	Fair Value	Carrying Amount
Money Market	\$ 2,269,681			\$ 2,269,681	\$ 2,269,681
Louisiana Asset Management Pool	915,530			915,530	915,530
Total	\$ 3,185,211			\$ 3,185,211	\$ 3,185,211

NOTE 5 RECEIVABLES

The receivables of \$ 201,163 at June 30, 2002, are as follows:

	General Fund
Ad valorem taxes	\$ 9,119
Amounts due for commissions	26,387
Amounts due for services	153,425
Amounts due for restitutions	11,523
Other	710
Total	\$ 201,164

The Sheriff considers all receivables to be collectible; therefore, no allowance has been established for doubtful accounts.

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2002

NOTE 6 DUE FROM OTHER GOVERNMENTS

The amounts due from other governments of \$ 1,335,961 at June 30, 2002 are as follows:

	General Fund
State of Louisiana:	
Maintenance of prisoners	\$ 19,099
Supplemental pay	49,034
DARE grant	7,291
Governors clean-up program	3,000
	<u>78,424</u>
Federal Government:	
Weed & Seed grant	60,583
Information System Sharing grant	1,936
Victims Assistance grant	9,133
COPS in Schools grant	6,430
Highway Safety Commission	25,743
	<u>103,825</u>
Lafourche Parish Council:	
Maintenance of prisoners	52,236
Animal control	6,336
Council on Aging	8,579
	<u>67,151</u>
Lafourche Parish School Board:	
Sales tax	1,035,760
School resource officers	24,000
PASS contract	9,000
	<u>1,068,760</u>
Various - crime lab billings	<u>17,801</u>
Total	\$ <u><u>1,335,961</u></u>

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2002

NOTE 7 CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Land, Buildings & Improvements	Furniture, Machinery & Equipment	Vehicles	Total
Balance at June 30, 2001	\$ 1,719,830	\$ 1,852,054	\$ 4,139,336	\$ 7,711,220
Additions	35,032	172,384	868,825	1,076,241
Deletions	<u>-</u>	<u>(78,085)</u>	<u>(265,013)</u>	<u>(343,098)</u>
Balance at June 30, 2002	<u>\$ 1,754,862</u>	<u>\$ 1,946,353</u>	<u>\$ 4,743,148</u>	<u>\$ 8,444,363</u>

NOTE 8 PENSION PLAN

Plan Description. Substantially all employees of the Lafourche Parish Sheriff's Office are members of the Louisiana Sheriffs Pension and Relief Fund (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees.

All sheriffs and all deputies who are found to be physically fit, who earn a minimum salary per month, depending on the date of hire, as stated below, and who were at least 18 years of age at the time of original employment are required to participate in the System. If the original date of hire is between September 7, 1979 and January 1, 1991, they must have earned at least \$400 per month. If the original date of hire is between January 1, 1991 and December 31, 1999, they must have earned at least \$550 per month, and if employed after January 1, 2000, the minimum salary is \$800 per month. Employees are eligible to retire at or after age 55 with at least 12 years of credited service and receive a benefit, payable monthly for life, equal to a percentage of their final-average salary for each year of credited service. The percentage factor to be used for each year of service is 3.33 percent for each year. The retirement benefit cannot exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination as indicated previously. Employees who terminate with at least 20 years of credited service are also eligible to elect early benefits between ages 50 and 55 with reduced benefits equal to the actuarial equivalent of the benefit to which they would otherwise be entitled at age 55. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2002

be obtained by writing to the Louisiana Sheriffs Pension and Relief Fund, 6554 Florida Boulevard, Suite 215, Baton Rouge, Louisiana 70806 or by calling (225) 922-0465.

Funding Policy. Plan members are required to contribute 9.8 percent of their annual covered salary and the Lafourche Parish Sheriff is required to contribute at an actuarially determined rate. Of the 9.8 percent employee contribution, the Sheriff pays 1.5 percent for the employee. The employee contribution is matched with 7 percent of payroll from the Sheriff's general fund and sent to the Pension office monthly. Contributions to the System also include one-half of one percent of the taxes shown to be collectible by the tax rolls of each parish and funds as required and available from insurance premium taxes. The contribution requirements of plan members and the Lafourche Parish Sheriff are established and may be amended by state statute. As provided by R.S. 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Lafourche Parish Sheriff's contributions to the System for the years ending June 30, 2002, 2001, and 2000, were \$691,359, \$ 552,315, and \$ 425,586, respectively, equal to the required contributions for each year.

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS

The Lafourche Parish Sheriff provides certain continuing health care and life insurance benefits for retired employees. The benefits for retirees with at least 25 years of service are provided through an insurance company whose monthly premiums are paid jointly by the employee and the Sheriff who each pay 50% of the premium. Retired employees with less than 25 years of service may participate in the program; however, the employee must pay 100 percent of the premium. The Sheriff recognizes the cost of providing these benefits (the Sheriff's portion of premiums) as an expenditure when the monthly premiums are due.

Future liabilities under the Sheriff's plan for potentially eligible employees are dependent upon the age and length of service of those employees. The average employee age and service years are not available. At June 30, 2002, there were very few retired employees receiving benefits and the total cost was not material.

NOTE 10 DEFERRED COMPENSATION PLAN

Employees of the Lafourche Parish Sheriff have the option to participate in a deferred compensation program. The maximum compensation that may be deferred under the plan for the participant's taxable year shall not exceed the amount as defined by Internal Revenue Code Section 457. Additional deferrals are allowed in certain years prior to retirement.

The Sheriff has the responsibility for withholding and remitting contributions from participants to the plan. Great-West Life, who serves as administrator, has the responsibility for maintaining a deferred account with respect to each participant, investing the participant's account in accordance with the participant's investment specification and reporting annually to the participant on the status of the plan. All assets of the plan, including all deferred amounts and all income attributable to such deferred amounts, are the assets of the State of Louisiana and

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2002

are subject to all the claims of creditors of the State of Louisiana. Legally, the amounts deferred are the property of the State of Louisiana, even though the funds have been earned by the employee and represent a portion of the employee's gross salary. Legal ownership of the plan assets does not vest with the employee until those amounts become due and payable to the employee under the terms of the plan. A participant who becomes eligible to receive distributions from the plan but chooses instead to receive the deferred amounts over a period of time remains a general creditor the same as those participants who are still active or otherwise ineligible. If the deferred amounts and related earnings are placed in a legal trust for the participants or are otherwise beyond the reach of the government or its general creditors at any time before actual payment, these amounts become taxable income to the participants.

Assets of the plan are reported as an Agency Fund in the financial statements of the State of Louisiana. Records for individual funds are not being maintained.

NOTE 11 COMPENSATED ABSENCES

At June 30, 2002, employees of the sheriff have accumulated and vested \$461,478 of employee leave benefits, which was computed in accordance with GASB Codification Section C60. Of this amount, \$169,726 is recorded as an obligation of the General Fund, and \$291,752 is recorded within the general long-term obligations account group.

NOTE 12 CHANGES IN AGENCY FUND BALANCES

A summary of changes in agency fund balances due to the general fund, taxing bodies and others follows:

	Balance at Beginning of Year	Additions	Reductions	Balance at End of Year
Agency funds:				
Bond Fund	\$ 289,291	\$ 148,130	\$ (28,804)	\$ 408,617
Criminal Fines Fund	148,148	1,752,188	(1,759,345)	140,991
Sheriff's Fund	18,530	1,199,136	(1,202,107)	15,559
Tax Collector Fund	1,124,664	42,417,312	(42,365,803)	1,176,173
Alcohol Gaming Fund	818	42,476	(43,044)	250
Total	\$ <u>1,581,451</u>	\$ <u>45,559,242</u>	\$ <u>(45,399,103)</u>	\$ <u>1,741,590</u>

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2002

NOTE 13 CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions during the year:

	<u>Compensated Absences</u>	<u>Notes Payable</u>	<u>Certificate of Indebtedness</u>	<u>Total</u>
Long-term obligations payable at June 30, 2001	\$ 317,529	\$ 139,303	\$ 485,000	\$ 941,832
Additions	-	-	-	-
Deductions	<u>(25,777)</u>	<u>(36,583)</u>	<u>(75,000)</u>	<u>(137,360)</u>
Long-term obligations payable at June 30, 2002	\$ <u>291,752</u>	\$ <u>102,720</u>	\$ <u>410,000</u>	\$ <u>804,472</u>

The Sheriff had an outstanding loan for the purchase of a building to house its patrol division. The annual interest rate is 5.75% with monthly installments of \$2,000. The note matures April 2003.

The Sheriff issued \$500,000 Certificates of Indebtedness, Series 1996 for the purpose of paying a portion of the cost of acquiring patrol cars, specialty vehicles, upgrading computer and telephone equipment, and to pay the costs incurred in connection with the issuance of the Certificates. The Certificates are secured and payable by annual revenues of the Sheriff's Office at an interest rate of 5.05% with a maturity date of April 2003.

The Sheriff has an outstanding loan for the purchase of a building that is now used as the Personnel Offices. The annual interest rate is 6.00% with monthly installments of \$1,665. The note matures June 2007.

The Sheriff issued \$500,000 Certificates of Indebtedness, Series 1999 for the purpose of renovating the Work Release building, and to pay the costs incurred in connection with the issuance of the Certificates. The Certificates are secured and payable by annual revenues of the Sheriff's Office at an interest rate of 5.00% with a maturity date of April 2009.

NOTE 14 TAXES PAID UNDER PROTEST

The unsettled balances due to taxing bodies and others in the agency funds at June 30, 2002, as reflected on Statement A, include \$ 958,914 of taxes paid under protest and interest earned to date on the investment of these funds. These funds are held pending resolution of the protest and are accounted for in the Tax Collector Agency Fund.

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
Notes to the Financial Statements
As of and for the Year Ended June 30, 2002

NOTE 15 RESERVATIONS AND DESIGNATIONS OF FUND BALANCES

Explanations of the nature and purpose of the reserves and designations of fund balances are as follows:

Reserve for debt service - represents monies set aside to fund the next year's debt service payments.

Reserve for drug interdiction - represents the amount of fund balance in the drug task force to be used solely for drug interdiction.

NOTE 16 LITIGATION AND CLAIMS

There are various cases of existing and threatened litigation pending against the Sheriff and its insurers. In those cases in which a preliminary evaluation of the exposure can be estimated, the amounts are covered by insurance. However, there are several cases in which an evaluation cannot be determined.

NOTE 17 EXPENDITURES OF THE SHERIFF'S OFFICE PAID BY THE PARISH COUNCIL

The Lafourche Parish Council (a separate entity) provides the Sheriff with certain amounts of office space at no cost. In addition, the Parish is required by State statutes to pay a certain amount of the Sheriff's Office operating expenses. During the fiscal year ended June 30, 2002, the Parish paid operating expenditures on behalf of the Sheriff. These expenditures are not recorded on the books of the Sheriff.

Supplemental Information Schedules

Special Revenue Funds

Drug Task Force Fund

Monies in this fund are received from the U. S. Department of Justice through the State of Louisiana, Commission on Law Enforcement and Administration of Criminal Justice. The overall objective is to cause a major disruption of the drug distribution process in the Lafourche Parish area, as well as make a lesser impact on the geographical region.

Commissary Fund

Monies in this fund are received from inmates when taken into custody and during their stay at the detention center. The inmates are allowed to purchase products with the funds held in trust. The Commissary does maintain an inventory. Orders are placed with a third party after an inmate request products. When inmates are released, the balance of their funds are refunded. This fund also accounts for the funds of inmates participating in the Work Release Program. The inmates are allowed to work in the community and earn wages while incarcerated. Those wages are held in trust by the sheriff's office. When inmates are released, the balance of their funds are refunded.

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
SPECIAL REVENUE FUNDS

Combined Balance Sheet, June 30, 2002

	<u>DRUG TASK FORCE FUND</u>	<u>COMMISSARY FUND</u>	<u>TOTAL</u>
ASSETS			
Assets:			
Cash and cash equivalents	\$ 159,092	\$ 347,933	\$ 507,025
Inventory		6,221	6,221
Due from other governments	<u>12,709</u>	<u></u>	<u>12,709</u>
TOTAL ASSETS	<u>\$ 171,801</u>	<u>\$ 354,154</u>	<u>\$ 525,955</u>
LIABILITIES AND EQUITY			
Liabilities:			
Due to general fund	\$ 710	\$ 710	
Accounts payable	12,602	8,320	20,922
Seizures payable	38,222		38,222
Due to inmates	<u></u>	<u>225,349</u>	<u>225,349</u>
Total Liabilities	<u>51,534</u>	<u>233,668</u>	<u>285,203</u>
Equity:			
Fund balances:			
Reserved for drug interdiction	\$ 120,266	\$ 120,266	
Unreserved - undesignated	<u></u>	<u>\$ 120,486</u>	<u>120,486</u>
Total Equity and Other Credits	<u>120,266</u>	<u>120,486</u>	<u>240,752</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 171,801</u>	<u>\$ 354,154</u>	<u>\$ 525,955</u>

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
SPECIAL REVENUE FUNDS

**Combined Statement of Revenues, Expenditures,
and Changes in Fund Balance
For the Year Ended June 30, 2002**

	DRUG TASK FORCE FUND	COMMISSARY FUND	TOTAL
REVENUES			
Intergovernmental - Federal grant	\$ 34,352		\$ 34,352
Forfeitures and restitution	98,145		98,145
Commissary sales		\$ 142,991	142,991
Phone card sales		66,676	66,676
Other	1,871	8,536	10,407
Total revenues	<u>134,368</u>	<u>218,203</u>	<u>352,571</u>
EXPENDITURES			
Public safety:			
Salaries and related benefits	12,364		12,364
Operating expenses	894	39,119	40,013
Law enforcement expenditures	23,294		23,294
Cost of goods		133,076	133,076
Capital outlay	12,602		12,602
Other		5,263	5,263
Total expenditures	<u>49,155</u>	<u>177,457</u>	<u>226,612</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	85,214	40,746	125,959
FUND BALANCE AT BEGINNING OF YEAR	<u>35,053</u>	<u>79,740</u>	<u>114,793</u>
FUND BALANCE AT END OF YEAR	<u>\$ 120,266</u>	<u>\$ 120,486</u>	<u>\$ 240,752</u>

Fiduciary Funds – Agency Funds

Bond Fund

This fund accounts for the collections of bonds taken to secure the appearance of an individual before the district court. If, at the time appointed, such person fails to appear and answer when called, the judge, on motion of the district attorney, can enter a judgement decreeing the forfeiture of the bond. Deductions and distributions are made in the manner prescribed by order of the court.

Criminal Fines Fund

This fund accounts for the collection of guilty pleas for traffic violations and for the collection of various other non-traffic violations and criminal offenses. In addition, the fund also collects all fines assessed by the district court. Deductions and distributions of these collections are made in the manner prescribed by law.

Sales & Seizures Fund

The Sales & Seizures Fund accounts for funds held in civil suits, sheriff's sales, and garnishments. It also accounts for collections of bonds, fines, and costs and payment of these collections to the recipients in accordance with applicable laws.

Tax Collector Fund

Article V, Section 27 of the Louisiana Constitution of 1974 provides that the sheriff will serve as the collector of state and parish taxes and fees. The Tax Collector Fund accounts for the collection and distribution of these taxes and fees to the appropriate taxing bodies.

Alcohol Gaming Fund

The Alcohol Gaming Fund accounts for the collection and distribution of funds received from the sale of alcohol and gaming licenses.

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
FIDUCIARY FUNDS - AGENCY FUNDS

Combined Balance Sheet, June 30, 2002

	<u>BOND FUND</u>	<u>CRIMINAL FINES FUND</u>	<u>SALES & SEIZURES FUND</u>	<u>TAX COLLECTOR FUND</u>	<u>ALCOHOL GAMING FUND</u>	<u>TOTAL</u>
ASSETS						
Cash and cash equivalents	\$ <u>408,617</u>	\$ <u>140,992</u>	\$ <u>15,559</u>	\$ <u>1,176,172</u>	\$ <u>251</u>	\$ <u>1,741,591</u>
TOTAL ASSETS	\$ <u><u>408,617</u></u>	\$ <u><u>140,992</u></u>	\$ <u><u>15,559</u></u>	\$ <u><u>1,176,172</u></u>	\$ <u><u>251</u></u>	\$ <u><u>1,741,591</u></u>
LIABILITIES						
Due to general fund	\$ <u>13,248</u>	\$ <u>18,951</u>		\$ <u>21,657</u>	\$ <u>251</u>	\$ <u>54,107</u>
Due to taxing bodies and others	<u>395,369</u>	<u>122,040</u>	<u>15,559</u>	<u>1,154,516</u>		<u>1,687,484</u>
TOTAL LIABILITIES	\$ <u><u>408,617</u></u>	\$ <u><u>140,992</u></u>	\$ <u><u>15,559</u></u>	\$ <u><u>1,176,172</u></u>	\$ <u><u>251</u></u>	\$ <u><u>1,741,591</u></u>

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
FIDUCIARY FUNDS - AGENCY FUNDS

Combined Schedule of Changes in Balances
Due to Taxing Bodies and Others
For the Year Ended June 30, 2002

	BOND FUND	CRIMINAL FINES FUND	SALES & SEIZURES FUND	TAX COLLECTOR FUND	ALCOHOL GAMING FUND	TOTAL
BALANCES AT BEGINNING OF YEAR	\$ 289,291	\$ 148,148	\$ 18,530	\$ 1,124,663	\$ 819	\$ 1,581,451
ADDITIONS						
Deposits:						
Sheriff's sales & suits			838,660			838,660
Bonds	148,130					148,130
Fines and costs		1,752,051				1,752,051
Garnishments			360,476			360,476
Beer & liquor permits					40,675	40,675
Angling, hunting, and trapping licenses					1,801	1,801
Taxes, fees, etc., paid to tax collector				42,393,419		42,393,419
Interest on investments		137		23,894		24,031
Other						-
Total additions	<u>148,130</u>	<u>1,752,188</u>	<u>1,199,136</u>	<u>42,417,312</u>	<u>42,476</u>	<u>45,559,242</u>
Total	437,421	1,900,336	1,217,666	43,541,975	43,295	47,140,693
REDUCTIONS						
State of Louisiana:						
Department of Wildlife and Fisheries					1,260	1,260
Taxes, fees, etc., distributed to taxing bodies and others				42,365,497		-
Deposits settled to:						42,365,497
Sheriff		244,364	203,002		6,786	-
Parish Council		662,960			34,999	454,151
District Attorney		292,593				697,959
Clerk of Court		85,727	41,265			292,593
Indigent Defender Board		280,757				126,992
Litigants			577,327			280,757
Advertising, attorneys, appraisers, etc.			42,502			577,327
17th Judicial District Court Fund		93,633				42,502
LA Commission on Law Enforcement		35,229				93,633
Bond fees paid	28,804					35,229
LA Department of Public Safety		15,131				28,804
Supreme Court of Louisiana		18,704				15,131
LA Rehabilitation Traumatic Head Start		29,513				18,704
Other		733		305		29,513
Garnishments			338,012			1,038
Total reductions	<u>28,804</u>	<u>1,759,345</u>	<u>1,202,107</u>	<u>42,365,803</u>	<u>43,044</u>	<u>338,012</u>
BALANCES AT END OF YEAR	\$ <u>408,617</u>	\$ <u>140,992</u>	\$ <u>15,559</u>	\$ <u>1,176,172</u>	\$ <u>251</u>	\$ <u>1,741,591</u>

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
TAX COLLECTOR AGENCY FUND

**Statement of Collections, Distributions,
and Unsettled Balances**
For the Year Ended June 30, 2002

	TAX COLLECTOR FUND
<hr/>	
UNSETTLED BALANCES AT BEGINNING OF YEAR	\$ 1,124,663
 COLLECTIONS	
Ad valorem taxes - current year	40,477,926
Ad valorem taxes - prior year	47,845
State revenue sharing	1,867,647
Interest received	23,894
Total collections	<u>42,417,312</u>
 Total	 43,541,975
 DISTRIBUTIONS	
State of Louisiana:	
Forestry Commission	5,392
Tax Commission	9,712
Special Education District No. 1	724,006
Lafourche Parish:	
Ambulance Districts	699,568
Assessor	806,185
Bayou Lafourche Fresh Water District	492,373
Drainage Districts	251,048
Fire Districts	2,109,220
Hospital Districts	1,146,308
Juvenile Justice Commission	1,050,555
Lafourche Water #1	1,075,843
Levee Districts	2,901,918
Parish Council	9,685,121
Port Commission	1,292,987
Recreation Districts	1,043,032
School Board	14,311,102
Sheriff	3,667,857
Pension Funds	1,087,342
Redemptions and refunds	6,232
Total distributions	<u>42,365,803</u>
 UNSETTLED BALANCES AT END OF YEAR	
DUE TO TAXING BODIES AND OTHERS	 \$ <u><u>1,176,172</u></u>

**Special Reports of
Certified Public Accountants**



REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Honorable Craig Webre
Lafourche Parish Sheriff
Thibodaux, Louisiana

We have audited the general purpose financial statements of the Lafourche Parish Sheriff, as of and for the year ended June 30, 2002, and have issued our report thereon dated December 11, 2002. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Lafourche Parish Sheriff's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Lafourche Parish Sheriff's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management, others within the organization, federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in blue ink, appearing to read "T.S. Kearns & Co.", written over a light blue circular stamp.

December 11, 2002

TIMOTHY S. KEARNS
MASTER OF BUSINESS ADMINISTRATION
CERTIFIED PUBLIC ACCOUNTANT

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE WITH OMB CIRCULAR A-133

Honorable Craig Webre
Lafourche Parish Sheriff
Thibodaux, Louisiana

Compliance

We have audited the compliance of the Lafourche Parish Sheriff, State of Louisiana (the "Sheriff"), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2002. The Sheriff's major federal program is identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Sheriff's management. Our responsibility is to express an opinion on the Sheriff's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Sheriff's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Sheriff's compliance with those requirements.

In our opinion, the Sheriff complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2002.

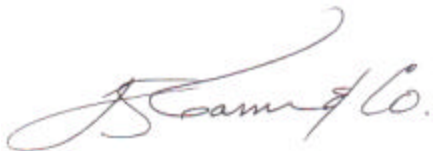
Internal Control Over Compliance

The management of the Sheriff is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Sheriff's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing

procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operations that we consider to be material weaknesses.

This report is intended solely for the information of the management of the Lafourche Parish Sheriff's Office, the Legislative Auditor of the State of Louisiana, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in dark ink, appearing to read "T. S. Kearns & Co.", is positioned above the date.

December 11, 2002

LAFOURCHE PARISH SHERIFF
Thibodaux, Louisiana
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2002

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the Lafourche Parish Sheriff's Office.
2. No reportable conditions relating to the audit of the general purpose financial statements are reported in the Independent Auditor's Report.
3. No instances of noncompliance material to the financial statements of the Lafourche Parish Sheriff's Office were disclosed during the audit.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the Independent Auditor's Report on Compliance with Requirements Applicable to each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award program administered by the Lafourche Parish Sheriff's Office expresses an unqualified opinion.
6. The auditor's reports disclosed no findings that are required to be reported under Section .510(a) of OMB Circular A-133.
7. The following programs were identified as the major programs:
 - U.S. Department of Justice, Multi-Jurisdictional Drug Task Force – CFDA 16.579.
 - U.S. Department of Justice, COPS In Schools – CFDA 16.710.
 - U.S. Department of Justice, passed through the Louisiana Department of Public Safety & Corrections, Traffic Safety Program – CFDA 20.600.
8. The threshold for distinguishing Type A and Type B Programs was \$300,000.
9. The Lafourche Parish Sheriff's Office was determined to be a low-risk auditee under the provisions of Sections .530 of OMB Circular A-133.

B. FINDINGS REQUIRED TO BE REPORTED – FINANCIAL STATEMENT AUDIT

There are no findings required to be reported.

C. FEDERAL AWARD FINDINGS QUESTIONED COSTS

There were no audit findings as defined in Section .510(a) of OMB Circular A-133 that are required to be reported in this section of the report.

Reports by Management

LAFOURCHE PARISH SHERIFF

Thibodaux, Louisiana

Summary Schedule of Prior Audit Findings

For the Year Ended June 30, 2002

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
<u>None</u>	<u></u>	<u></u>	<u></u>	<u></u>

Description of Finding:

There were no findings required to be reported.

Corrective Action Taken:

LAFOURCHE PARISH SHERIFF

Thibodaux, Louisiana

Corrective Action Plan for

Current Year Audit Findings

For the Year Ended June 30, 2002

<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
<u>None</u>	<u></u>	<u></u>	<u></u>	<u></u>

Description of Finding:

There are no findings required to be reported.

Corrective Action Planned:

LAFOURCHE PARISH SHERIFF
State of Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2002

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grant Number	Grant Year Ended	Revenue Recognized	Expenditures
U.S. DEPARTMENT OF JUSTICE					
Local Law Enforcement Block Grant	16.592	2000-LB-BX-2828	9/30/2002	15,182.40	15,182.40
Local Law Enforcement Block Grant	16.592	2001-LB-BX-2988	9/30/2003	46,642.00	17,189.70
Weed & Seed (FBI Contribution to Weed and Seed)	16.595	2000-WS-QX-0049	8/31/2001	84,623.00 12,705.57	84,623.00 12,705.57
Weed & Seed	16.595	2001-WS-QX-0111	9/30/2002	104,978.21	104,978.21
COPS In Schools	16.710	2001SHWX0592	8/31/2004	11,854.08	11,854.08
Bulletproof Vest Partnership Program	16.607			19,864.20	19,864.20
Passed through State of LA - Comm on Law Enforcement Victim Assistance Program	16.575	C99-7-014	9/30/2001	12,696.00	15,765.00
Passed through State of LA - Comm on Law Enforcement Victim Assistance Program	16.575	C00-7-014	6/30/2002	43,344.00	54,187.00
Passed through State of LA - Comm on Law Enforcement Law Enforcement Training	16.575	M00-7-006	2/28/2002	9,145.00	12,194.00

See accompanying notes to schedules of expenditures of financial awards.

LAFOURCHE PARISH SHERIFF
State of Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2002

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grant Number	Grant Year Ended	Revenue Recognized	Expenditures
Passed through State of LA - Comm on Law Enforcement Law Enforcement Training	16.575	M01-7-001	3/28/2003	5,695.00	7,593.00
Passed through State of LA - Comm on Law Enforcement Electronic Equipment	16.575	P01-7-005	6/30/2001	789.00	789.00
Passed through State of LA - Comm on Law Enforcement Electronic Equipment	16.575	P02-7-017	6/30/2002	1,866.00	1,866.00
Passed through State of LA - Comm on Law Enforcement MJ Task Force	16.579	B01-7-010	6/30/2002	34,352.00	45,804.00
Passed through State of LA - Comm on Law Enforcement Establish Information Systems	16.523	A00-8-031	10/15/2002	21,827.65	24,254.00
Passed through State of LA - Comm on Law Enforcement Establish Information Systems	16.523	A99-8-031	10/31/2001	13,594.00	15,105.00
TOTAL U.S. DEPT. OF JUSTICE				439,158.11	443,954.16

See accompanying notes to schedules of expenditures of financial awards.

LAFOURCHE PARISH SHERIFF
State of Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2002

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grant Number	Grant Year Ended	Revenue Recognized	Expenditures
U.S. DEPARTMENT OF TRANSPORTATION					
Passed through State of LA - Dept of Public Safety & Corrections Traffic Safety Program	20.600	0226	9/30/2002	51,339.84	65,960.51
Passed through State of LA - Dept of Public Safety & Corrections Traffic Safety Program	20.600	0126	9/30/2001	20,873.73	23,658.34
Passed through State of LA - Dept of Public Safety & Corrections Safe and Sober Campaign	20.600	7 02-03-90/N157 02-02-9	9/30/2002	4,830.05	4,529.39
Passed through State of LA - Dept of Public Safety & Corrections Safe and Sober Campaign	20.600	0091-124	12/1/2001	530.00	1,608.88
Passed through State of LA - Dept of Public Safety & Corrections NHTSA/NAS Buckle Up America	20.600		11/1/2001	4,383.25	4,383.25
Passed through State of LA - Dept of Public Safety & Corrections LHSC Strap In 2002	20.600	N157 02-08-16	9/30/2002	3,221.12	3,713.52
TOTAL U.S. DEPT. OF TRANSPORTATION				85,177.99	103,853.89

See accompanying notes to schedules of expenditures of financial awards.

LAFOURCHE PARISH SHERIFF
State of Louisiana
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2002

Federal Grantor/Pass-Through Grantor/Program Title	CFDA Number	Grant Number	Grant Year Ended	Revenue Recognized	Expenditures
U.S. DEPT. OF AGRICULTURE					
Passed through State of LA -					
Dept. of Agriculture & Forestry					
Master Tree Plan and Tree Plantings	10.664	01-DG-11083122-010	9/30/2002	1,974.00	1,974.00
TOTAL U.S. DEPT. OF AGRICULTURE				<u>1,974.00</u>	<u>1,974.00</u>
TOTAL MONITARY AWARDS				<u>\$ 526,310.10</u>	<u>\$ 549,782.05</u>

See accompanying notes to schedules of expenditures of financial awards.

LAFOURCHE PARISH SHERIFF

Thibodaux, Louisiana

Notes to Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2002

NOTE 1. Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Lafourche Parish Sheriff's Office and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Expenditures consist of the federal portion of expenditures used to operate the program.

NOTE 2. Sub-recipients

The Sheriff's Office did not pass-through any of its federal awards to a sub-recipient during the year ended June 30, 2002.

NOTE 3. Nonmonetary Awards

The Sheriff's Office did not receive any nonmonetary awards during the year ended June 30, 2002.